



## ***INSIDE REGION II***

Spring 2006

U.S. Small Business Administration  
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William Manger, Jr., Regional Administrator  
Region 2  
New York, New Jersey, Puerto Rico  
and the U.S. Virgin Islands



William Manger, JR.

### **News from Region II**

#### **HUBZone Changes in Puerto Rico**

Puerto Rico Resident Commissioner in Washington Luis G. Fortuño, joined Puerto Rico and U.S. Virgins Islands District Director Carmen A. Culpeper recently in announcing changes to the HUBZone Empowerment Contracting Program that result in extended benefits for minority firms throughout Puerto Rico.

Under new legislation, HUBZones were redefined to include Difficult Development Areas that Housing and Urban Development (HUD) has qualified under its housing credit program, as well as areas qualified by the SBA. While in the past, only 20 of the 78 municipalities in Puerto Rico qualified as HUBZones, now 69 municipalities qualify as HUBZones in their entirety.

The remaining nine municipalities --Arecibo, Camuy, Guayanilla, Hatillo, Juana Díaz, Peñuelas, Ponce, Villalba, and Yauco-- include census tracts that qualify as HUBZones.



District Director Carmen Culpeper and PR Resident Commissioner Luis G. Fortuño announce HUBZone changes in Puerto Rico during a press conference.

#### **New Jersey 7(j) Training Session**

The New Jersey District Office, in conjunction with Strategic & Learning Services, Inc., of Albuquerque, NM, will be conducting a unique one day training seminar for small business owners on April 11, 2006, at the Peter Rodino Federal Building in Newark, NJ.

This specialized training will provide a real world understanding of the crucial role that decision making, sound hiring practices and the art of deal making can play in a firm's success or failure.

One of the goals of this training is to prepare participants in the Transitional Stage of the 8(a) Business Development Program to enter the competitive marketplace. An expected outcome of this training is that small firms will improve their balance of commercial and competitive government sales.

This training will provide an opportunity for small businesses to conduct an assessment of their business, establish baselines around critical indicators of business success, and craft an action plan.

The seminar will consist of a one-day workshop, and business attendees will be eligible to receive follow-up assistance and counseling for a period of three months to improve their action plan in a changing business.

Eligible participants include 8(a) certified firms, HUBZone certified firms, businesses operating in areas of high unemployment or low income, and firms owned by low income individuals.

In addition, two live interactive, Internet-based training sessions will be offered to small firms that are unable to participate in the face-to-face classroom settings. Small businesses should register for these sessions through their local SBA district office.

This seminar is designed exclusively for owners of small businesses that have been in operation for at least six years. Register online for the seminar at: <http://www.sls-7j.net>. Reasonable accommodations for persons with disabilities will be made, if requested at least two weeks in advance of the seminar. Or contact Richard Zilg, Assistant District Director for Business Development at 973-645-2531.

### **Puerto Rico Success Story**

District Director Carmen A. Culpeper visited SBA success story Alexis Sotomayor and his business Caribbean Soaps. Several years ago, Alexis left the soda bottling company he had worked at for more than a decade to start his own business. With his education and background in chemical engineering, he began making soap at home and selling his products at artisan fairs. Limited space, however, allowed him to only make 10 bars of soap per day.

When it was obvious his business had every possibility of growing, Alexis visited the Puerto Rico Small Business Development Center and later took advantage of SBA's 504 Program to acquire a building where his business would continue to flourish.

Today, Caribbean Soaps manufactures more than 800 bars of soap in over 20 different varieties on a daily basis, as well as bath salts, incense, lotion and essential oils, among other products.



Puerto Rico District Director Carmen Culpeper met with Caribbean Soaps owner Alexis Sotomayor.

### **504 Matchmaking**

The NYDO marketing staff held a successful 504 Matchmaking event on March 1. The event was based on the successful government contracting Matchmaking programs being held around the country.

### **Inside Region 2**

Business owners learned about the possibilities of a 504 loan for their business. We scheduled appointments for each business with a lender and CDC following an initial meeting with a realtor about an available commercial property.

Additionally, we offered two workshops running every half-hour for three hours. One workshop was on SBA programs and services and the other was on the 504 program. Attendees were given the opportunity to ask questions and become more informed about SBA services.

### **Surety Bond Conference- The New York District Office**

The NYDO held a very successful Surety Bond Conference attended by well over 160 small businesses. Peter Gibbs, the director of the Surety Bond program in D.C was the keynote speaker. A number of surety bond companies also participated in the conference.

Mike Hager, the ADA for Capital access spent two days in New York and held successful meetings with senior executives of nine lending institutions.

### **RA William Manger in Syracuse**

William A. Manger recently toured New York state's North Country, visiting the Syracuse District's Export Business of the Year—Cedar Knoll Log Homes in Plattsburgh, the Chamber of Commerce and the NYSSBDC at Plattsburgh. Pictures of his visit with various small business individuals are below.



(From left to right) Dan O'Connell, B.J. Paprocki, Syracuse district director, Dr. John Ettling, president of SUNY Plattsburgh, William Manger, region II administrator and Delena Clark, director of the Plattsburgh SBDC at a visit to the SBDC/SUNY in Plattsburgh, NY.



(From left to right) B.J. Paprocki, Syracuse district director, William Manger, region II administrator, Gary Douglas, president of the Plattsburgh North Country Chamber of Commerce and Dan O'Connell at a lender roundtable hosted by the Plattsburgh North Country Chamber.



(From left to right) William Manger, region II administrator, Ron Marx, owner of Cedar Knoll Log Homes, B.J. Paprocki, Syracuse district director, Delena Clark, director of the Plattsburgh SBDC, Dan O'Connell, Albany SBA area manager present Marx with the SBA Exporter of the Year award at Cedar Knoll Log.

### **Brooklynite Wins the SBA's Veteran's Advocate of the Year Award**

In a nationwide competition, Brooklyn native Frank Dito won the U.S. Small Business Administration's 2005 *Stanley Mangeria Veteran's Advocate of the Year Award*.



Frank Dito

Serving as the veteran's affairs officer in the SBA's New York regional and district offices since 1991, Korean War veteran Dito has conducted outreach, training and educational services to veteran's throughout New York, New Jersey, Puerto Rico and the U.S. Virgin Islands in order to help them start and grow their small businesses and realize their entrepreneurial dreams.

Dito has worked closely with veteran's assistance and advocacy groups including the New York Veterans Business Resource Council, the New York Department of Labor, both the U.S. and New York departments of Veteran's Affairs, the Brooklyn Chamber of Commerce, the Staten Island Chamber of Commerce, New York City Annual Fleet Week, the Army Community Service Program and the Fort Hamilton Army Transition Assistance Program to name just a few.

The *Mangeria Award* is competed throughout 70 SBA offices across the country and is awarded to the SBA employee who has best demonstrated full and special treatment was provided to veterans in their geographic area.

"Frank has been a tireless promoter of entrepreneurial assistance to veterans of our armed forces," said Dito nominator and SBA Regional Administrator William Manger. "It was truly an honor to nominate an individual who has worked so hard on behalf of his fellow veterans and see him receive the recognition he deserves," added Manger.

### **Unprecedented Press- New York District Office**

The New York District Office in the last six months had four story placements in the country's most widely circulated newspaper--- The New York Times.

All four stories, including two success stories, were featured with accompanying pictures on the front page of the paper's Job Market section.

Additionally, the NYDO has received significant positive coverage in major media outlets including Crain's New York Business, New York Newsday, Dow Jones's MarketWatch.Com, the Westchester Business Journal and the Poughkeepsie Journal among others.

Numerous articles reflected the office's initiative to increase the number of 504 loans.



## SBA Expo, Awards Luncheon, and Business Matchmaker



Dear Small Business Owners, Prime Contractors, National Businesses and Government Agencies:

On behalf of the U.S. Small Business Administration, SCORE Buffalo Niagara and Business First of Buffalo, you are invited to participate in this important event.

The SBA Expo, Awards Luncheon, and Matchmaker event in Buffalo, New York, May 10, 2006, will combine education, training, counseling, networking, and face-to-face meetings between small businesses and procurement representatives from government agencies and major corporations.

For more information on the event, please visit our homepage at [www.sba.gov/ny/buffalo](http://www.sba.gov/ny/buffalo) and click on the interested link under "What's New".

To register for the SBA Small Business Week Awards Luncheon, please contact Kelly LoTempio at (716) 551-4301 ext. 309 or by e-mail at [Kelly.lotempio@sba.gov](mailto:Kelly.lotempio@sba.gov)

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## News from Washington

### SBA Tops \$7 Billion in Disaster Loan Approvals Following 2005 Hurricanes

#### *More Than 101,000 Loans Approved for Victims*

**WASHINGTON** – More than 101,000 victims of last fall's Gulf Coast hurricanes have been approved for more than \$7 billion in long-term recovery and rebuilding loans, the largest natural disaster response in the agency's 53-year history. The \$7 billion in approved loans is a record for the agency.

SBA offers low-interest, taxpayer-backed loans to homeowners, renters and businesses in its disaster loan assistance program. More than 17,000 disaster loans have been approved for businesses totaling \$1.6 billion.

## Inside Region 2

Homeowners and renters have been approved for more than 84,600 loans totaling \$5.4 billion.

"In the seven months since Hurricanes Katrina, Wilma and Rita struck the Gulf Coast and Florida, the SBA has mobilized like never before to help the victims recover," said SBA Administrator Hector V. Barreto. "Thousands of dedicated civil servants are helping with the response. The SBA has modernized its processing system and made numerous adjustments and accommodations to adapt to the unique challenges presented by last year's devastating storms. As a result, we've approved more disaster loans in a shorter period of time than ever before."

Overall, the SBA has conducted damage inspections on 98 percent of the damaged properties and has processed 87.4 percent of the total loan applications submitted by businesses. More than 321,000 applications have been processed since Hurricane Katrina struck in late August. Louisiana has the highest amount in approved loans at \$4.5 billion, followed by Mississippi, with \$2.0 billion. Approvals in Florida total \$242 million, followed by Texas with \$201 million and Alabama with \$101 million.

"We are very eager to put the money into the hands of the people in the disaster areas," said Barreto. "We strongly urge applicants whose loans have been approved, and are ready to start the rebuilding process, to contact our Customer Service Center at 1-800-659-2955 so we can schedule their loan closings and they can put the money to work."

Victims of Hurricanes Katrina and Rita in Louisiana, Mississippi and Texas have until April 10 to apply for a disaster loan to repair or rebuild physical damage. The deadlines vary for small businesses that suffered economic injury, depending on which hurricane caused the injury. For Katrina, it's May 29; for Rita, it's June 26, and for Wilma it's July 24. Victims may begin the application process by registering at 1-800-621-FEMA.

For complete details about the SBA's disaster assistance program following the hurricanes, please visit: [http://www.sba.gov/disaster\\_recov/hurricanes](http://www.sba.gov/disaster_recov/hurricanes).

## Inside Region II

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Region II

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Copies of Inside Region II are distributed free of charge to SBA resource partners, service providers, small business owners and other advocates of small business. To request additional copies, or to be added to our mailing list, please contact Natale Goriel at [natale.goriel@sba.gov](mailto:natale.goriel@sba.gov).